

Exhibit 66

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA

CDK Global, LLC, et al.,)	
)	
Plaintiffs,)	2:19-cv-4849-GMS
)	
vs.)	Phoenix, Arizona
)	June 3, 2020
Mark Brnovich, et al.,)	1:15 p.m.
)	
Defendants.)	
)	

BEFORE: THE HONORABLE G. MURRAY SNOW, CHIEF JUDGE

REPORTER'S TRANSCRIPT OF PROCEEDINGS

MOTION HEARING

VOLUME B

(Pages 312 - 433, inclusive)

Official Court Reporter:
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Proceedings Reported by Stenographic Court Reporter
Transcript Prepared by Computer-Aided Transcription

UNITED STATES DISTRICT COURT

1 and if he has one for the whole store, that eliminates the
2 rest.

3 So whatever Reynolds' market share now is virtually
4 impossible for us to penetrate that. And any dealer that has
5 even one store of their group, it's really difficult for us to
6 penetrate those as well.

7 We have to fight the data stuff, like I said earlier,
8 and so sales people, as sales people tend to be, just write off
9 that Reynolds segment of our market, and it has taken away a
10 ton of opportunity for us not being able to go there. Not been
11 pleasant.

12 Q. Mr. Andreu, let's talk about CDK for a moment. At what
13 point did CDK begin restricting the ability of data integrators
14 like Authenticom and SelectQu to pull data from its DMS?

15 A. Yeah, so for us, for Dominion, they never blocked us. And
16 the reason they didn't block us is I got a little bit of a
17 heads-up. And I don't mean to imply that it was ahead of
18 everybody else. I am sure that they told others, too. But I
19 learned it in about 2015 -- not about, I learned it at
20 breakfast at NADA in 2015.

21 I had breakfast with a friend I have at CDK Kevin
22 Distelhorst and some other CDK folks. They told us that
23 blocking was coming. They were going the way of Reynolds and
24 Reynolds. They were going to start charging for the 3PA
25 program.

1 Incidentally, the 3PA program in and of itself wasn't
2 new. I was personally a 3PA certified provider in the '90s.
3 But it was going to change. It was going to look like RCI. It
4 was going to cost similar to RCI. And if we didn't sign up for
5 it, we were going to be blocked.

6 I remember at one point -- not at the breakfast, but
7 later on asking Kevin, so let me just get this right, I either
8 sign up for the CDK program or I can't get CDK data, period?
9 He goes, well, I wouldn't have put it that way, but, yeah. And
10 so we had no choice.

11 So we signed up, started the process, negotiated our
12 way through the contract. And during that time, I believe CDK
13 did start blocking other vendors, but not us because we were in
14 the process of negotiating in good faith during that late 2015,
15 early 2016.

16 Q. How did your breakfast discussion with Mr. Distelhorst in
17 2015 compare to prior discussions you have had with him about
18 CDK's policies with respect to data integration?

19 A. So I am friends with Kevin. I have been for many years.
20 When I was self-employed, I competed with a business that he
21 owned. He was purchased by CDK. In fact, CDK purchased two
22 integration businesses, IntegraLink and DMI.

23 So I knew Kevin. I knew what he did. We had a
24 similar history. And we joked about Reynolds and their
25 greediness of going in the RCI program and driving our

1 integration fees, you know, five, six, seven, 800 percent. And
2 we both completely opposed that whole methodology and we
3 opposed the theory of even doing that.

4 I -- some of my products -- some of Dominion's
5 products, our inventory products, for example, actually used
6 IntegraLink and DMI to pull data. So that was a CDK program.
7 I don't remember the price exactly, but it was in the teens,
8 \$17, \$18, something like that. It was minimal.

9 And so we threw stones at Reynolds and their hundreds
10 and hundreds and hundreds of dollars prices. And then in 2015,
11 he looked at me with a sad sort of almost apologetic face and
12 went, we're going there. And they did, in spades.

13 Q. How much does Dominion pay now for integration under the --
14 program?

15 A. So the CRM, for comparison, since I used CRM for the
16 Reynolds store, started out at \$453. So compared to the
17 Reynolds fee that was pretty low, I guess, but compared to the
18 \$30 we were paying at SelectQu and Authenticom, it was still
19 absurd.

20 That \$453 has risen a little since we signed, but to
21 be fair, it hasn't risen much. I think it's \$467 now. It has
22 a set-up fee of what amounts to \$300 when we sign up a new
23 dealer that doesn't exist in the Authenticom world.

24 I think that \$300 divides into three categories. It's
25 a \$100 set-up fee, plus \$100 for sales history, and \$100 for

1 service history, all of which we need. So essentially it is
2 \$300 set-up fee.

3 And then we paid them -- for CRM, north of \$30,000. I
4 think the number is \$32,000 set-up fee, just to get certified.
5 None of those numbers applied to the Authenticom relationship
6 or were for that matter the DMI relationship.

7 Q. Is the integration you got through 3PA better than the
8 integration you got from Authenticom?

9 A. Actually, no, it is worse. Not the actual extraction of
10 the data, I suspect it is pretty similar to what Authenticom
11 had to go through. But remember, I didn't have to go through
12 that at all to get -- integrate -- to get data, I used my
13 integrator.

14 But once they get the data, Authenticom would clean
15 it. They would enhance it. They would standardize it. They
16 would purify it. They would put it in nice little packages and
17 send it to me exactly the way I needed it.

18 Today I have to get it from CDK their way. Bring it
19 into my system, then package it up, send it to Authenticom so
20 that they can do all of the magic that they used to do before I
21 ever saw the data.

22 And then when they got through they package it up and
23 send it back. So if you are keeping count, today the data
24 makes a trip from the DMS to me. Then from me to Authenticom.
25 And then from Authenticom back to me.